



City of Marietta

Meeting Minutes

BOARD OF LIGHTS AND WATER

205 Lawrence Street
Post Office Box 609
Marietta, Georgia 30061

William B. Dunaway, Chairman
James W. King, Vice Chairman
Bruce E. Coyle, Resident Member
Charles L. "Chuck" George, Resident Member
Arthur D. Vaughn, Resident Member
Harlon D. Crimm, Non-Resident Member
Alice Summerour, Non-Resident Member

Monday, August 8, 2005

12:00 PM

BLW Admin.-2nd Floor Board Room

Presiding: William B. Dunaway

Present: Arthur D. Vaughn, Bruce E. Coyle, James W. King, Alice Summerour, Charles L. "Chuck" George and Harlon D. Crimm

Also Present:

Philip M. Goldstein, Council - Ward 7

William F. Bruton, Jr., City Manager

Robert Lewis, Board Manager

J. Kevin Moore, Board Attorney

Stephanie Guy, Deputy Board Clerk

CALL TO ORDER AND ROLL CALL:

Mayor William B. Dunaway called the meeting to order at 12:10 p.m.

I. MINUTES:

20050923 Regular Meeting - July 11, 2005

Review and approval of the July 11, 2005 regular meeting minutes.

A motion was made by Board member King, seconded by Board member Crimm, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

II. APPOINTMENTS/PRESENTATIONS:

III. APPEARANCES:

IV. BLW OPERATING DEPARTMENTS:

Customer Care:

20050883 Automated Meter Reading (AMR)

Presentation on Automated Meter Reading (AMR).

Customer Care Director Ron Mull presented a power point presentation regarding the status of the Automated Meter Reading project. Currently staff is in the process of installing electric meters for residential customers. Installation should be completed by October 2005.

Mr. Mull mentioned that the new meters are lighter than those currently in place, in addition to having a digital readout instead of the rotating dials. The new meters are more accurate, which would also cut down on misreads and tampering.

This matter was Presented.

Electrical:

Marketing:

20050885 Staffing

Update on hiring of new BLW Utility Marketing Director.

Board Manager Robert Lewis presented background information regarding the new Marketing Director Barry Echols. Mr. Lewis mentioned that Mr. Echols worked for the Southern Company/Savannah Electric for 24 years as the Commercial/Industrial Marketing Manager. Mr. Echols and his wife will be moving to Marietta around August 15, 2005 and will be a great addition to the organization.

This matter was Reported.

Internal Services:

20050902 Power Sales Update

Report on power sales.

Internal Services Director Herb Edwards presented information regarding power sales stating that Colquitt EMC has received an offer from the Municipal Electric Authority of Georgia (MEAG) involving three MEAG cities, Marietta being one of them. The nature of the offer is for approval of 75 megawatt of power, 50 of which would come from MEAG's market and 25 would be unit sales from Project 1. Marietta's share of the 25 from Project 1 is 10 megawatt.

Staff is currently in stage two of the negotiating process with the offer being 5.5 cents per kWh for calendar year 2007. There is the possibility of coal price runup; however MEAG has already secured a significant amount of coal for 2007. There is also the risk of reduced revenue due to curtailment, but the history is that there have been very few curtailment hours. Mr. Lewis mentioned that the negotiation process should be complete by the end of the month.

Discussion was held regarding the proposed power sales contract.

This matter was Reported.

Water & Sewer:**20050887 Storm Report**

Debriefing on recent storm events.

Water and Sewer Director Robert Snelson presented a map showing major sewer system impacts of Hurricane Dennis. There were several surcharged mains, pipe washouts, service backups and one damaged creek crossing. Mr. Snelson mentioned that a section of 15-inch sewer pipe along Olley Creek at West Booth Road Extension washed out due to high water flows. Water Department crews completed emergency repairs to the most critical section of damaged pipe.

Discussion was held regarding preventive measures to ensure less impact on the sewer system in the future.

This matter was Reported.

20050888 Noses Creek Basin Sanitary Sewer System Improvements Project Phase I/ Change Order No. 1

Motion to approve Change Order No. 1, in the amount of \$280,838, with Miller Pipeline Corporation for Phase I of the Noses Creek Basin Sanitary Sewer System Improvements Project; and, to approve a Resolution amending the fiscal year 2006 budget to appropriate \$280,900 from Fund Balance for the cost of the improvements. [Enter body here.]

Robert Snelson explained that due to the washout of the 15-inch sewer pipe along Olley Creek at West Booth Road Extension, additional emergency repairs are needed. Further inspections identified several pipe sections exposed in the creek bank and subject to failure with additional high flows.

In order to complete emergency repairs in a timely manner, the Water Department recommends a change order to the existing construction contract with Miller Pipeline on the Noses Creek Basin Sanitary Sewer System Improvements Project Phase 1. This project includes unit pricing for open-cut 15-inch sewer pipe installation. Using the existing unit prices will require a change order in the amount of \$280,838.00 to replace 1,200 feet of pipe.

Discussion was held regarding the reasoning for awarding the construction contract to Miller Pipeline. Mr. Snelson explained that Miller Pipeline was already working on sewer rehabilitation projects in the city and the emergency repairs needed would simply be an extension of that existing contract. Board Attorney

Kevin Moore stated that several motions would be needed to declare the emergency, to approve the amount needed and to approve the budget amendment.

Motion to declare a state of emergency regarding the Noses Creek Basin Sanitary Sewer System Repair Project Phase I.

A motion was made by Board member Vaughn, seconded by Board member Summerour, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

Motion to approve Change Order No. 1 regarding the Noses Creek Basin Sanitary Sewer System Repair Project Phase I and award the contract to Miller Pipeline Corporation.

A motion was made by Board member Vaughn, seconded by Board member Summerour, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

Motion to approve a Resolution amending the fiscal year 2006 budget to appropriate \$280,900 from the Reserve Account for the cost of the Noses Creek Basin Sanitary Sewer System Repair Project Phase I.

A motion was made by Board member King, seconded by Board member Summerour, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

20050908

Whitlock Avenue Water Main Replacement Project/ Phase 2

Motion to approve Change Order No. 1, in the amount of \$518,787.50, to the construction contract with K.M. Davis Contracting Co., Inc. for the Whitlock Avenue Water Main Replacement Project.

Robert Snelson explained that the Whitlock Avenue 20-inch Water Main Replacement, Phase 2 was originally bid on April 27, 2005; however, due to a lack of funding, the project was split into phases and the first phase awarded to K.M. Davis Contracting Co., Inc., low bidder for the entire project. After reviewing all prospective large water main replacement projects, staff determined it is most economical to complete this project's phase two with FY06 funding. This will require a change order in the amount of \$518,787.50 with K.M. Davis Contracting to adjust the contract back to the original bid quantities.

A motion was made by Board member King, seconded by Board member George, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

V. CENTRALIZED SUPPORT:**Finance:****20050892 BLW Finance Reports**

Review of the Finance reports for July 2005.

Finance Director Monte Vavra reported on the financial reports for July 2005. The total charges for services for the month were \$11,008,011, which was slightly below the same period last year. The profit and loss statement shows income from operations at \$2.8 million compared to one year ago at \$2.6 million. The cash flow statement shows net cash inflow of \$2.4 million with a budget of \$1.5 million. As compared to \$2.1 million one year ago, BLW is \$350,000 ahead of last year.

This matter was Reported.

Management Information Systems:**VI. COMMITTEE REPORTS:****Governance Strategic Planning:****20050759 Board Strategic Business Plan 2006**

Discussion regarding the Board's 2006 Strategic Plan.

Bruce Coyle, Chairman of the Governance Strategic Planning Committee, reported that the committee met recently to discuss the status of the Board's 2005 strategic plan. Many of the objectives have been completed such as developing policies for revenue requirements; review of the organization, functions and key employees; and developing financial performance measures. There are several items remaining for 2005 that will be carried over into 2006 along with other objectives. All are being performed to ensure that the company remains competitive with other utility organizations.

This matter was Discussed.

VII. CHAIRPERSON'S REPORT:

Chairman Dunaway mentioned that his office has received several calls from citizens regarding the quick response from staff to investigate and repair problems incurred due to the recent heavy rainfall. Chairman Dunaway expressed his appreciation to the Marietta Power staff for continuing to improve customer satisfaction.

VIII. BOARD ATTORNEY'S REPORT:**IX. BOARD MANAGER'S REPORT:**

20050889 Board Strategic Business Plan 2005/ Business Strategy

Deliverable for Board Strategic Business Plan 2005 Objective 1, Business Strategy, Goal A.

Board Manager Robert Lewis presented a power point presentation regarding the progress of the annual Strategic Plan, which includes performance measures and specific goals implemented to better serve the citizens of Marietta. Mr. Lewis reviewed the objectives completed and those few remaining items such as finalization of the financial planning model, the key performance measures and financial policies. He also went over some of the insights staff has gained from the strategic plan. For example, the critical need for employee retention, having a longer planning horizon and a long-term business strategy.

This matter was Reported.

X. OTHER BUSINESS:**XI. EXECUTIVE SESSION (at the Board's discretion):****20050924 Executive Session**

Motion to enter an Executive Session to discuss legal, real estate and/or personnel matters.

Not Held.

ADJOURNMENT:

The meeting was adjourned at 1:34 p.m.

Approved by City Council:

Date: August 10, 2005

William B. Dunaway, Chairman

Attest: _____
Shelia R. Hill, Board Clerk

Approved by Board of Lights and Water:

Date: _____

William B. Dunaway, Chairman

Attest: _____
Shelia R. Hill, Board Clerk